

D.P.U. 91-234-F

Petition of Commonwealth Electric Company and Cambridge Electric Light Company, pursuant to M.G.L. c. 164, §§ 69I, 76, 94, and 220 C.M.R. §§ 10.00 et seq., for review of the procedures by which additional energy resources are planned, solicited, and procured by Commonwealth Electric Company and Cambridge Electric Light Company.

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## I. INTRODUCTION

On June 3, 1994, Commonwealth Electric Company ("Commonwealth") and Cambridge Electric Light Company ("Cambridge") (together, "Companies") submitted their integrated resource management ("IRM") Phase IV filing to the Department of Public Utilities ("Department") for review, and on June 21, 1994, submitted a supplement to their Phase IV filing. On June 29, 1994, the Companies submitted additional contracts with project developers for Department review. On June 30, 1994, the Department issued its Order in review of the Companies' Phase IV filing. Commonwealth Electric Company and Cambridge Electric Light Company, D.P.U. 91-234-C (1994) ("D.P.U.91-234-C").<sup>1</sup> On July 29, 1994, the Department issued an Order approving contracts submitted on June 29, 1994. Commonwealth Electric Company and Cambridge Electric Light Company, D.P.U. 91-234-D (1994). On August 24, 1994, the Companies submitted additional contracts with project developers, and in this Order, the Department reviews these contracts.

## II. PHASE IV REVIEW

Pursuant to 220 C.M.R. § 10.06(3), the Department reviews final contracts reached between electric companies and award group project developers, and either approves or disapproves such contracts. In D.P.U. 91-234-B, the Department approved an award group that, for Commonwealth, included retrofit programs by Citizens Conservation Corporation ("Citizens") and Conservation Services Group ("CSG") in the residential non-heat sector, Syracuse Energy Services Company, Inc. ("SYRESCO") and CSG in the residential heat sector, Northeast Energy Services, Inc. ("NORESCO") and DMC Services, Inc. in the small

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<sup>1</sup> Review of contracts submitted on June 29, 1994 was not included in D.P.U. 91-234-C.

general-use sector, and NORESKO, Achushnet Company, Titleist & Foot-Joy, Aerovox, Inc., EUA Cogenex Corporation, and HEC, Inc. in the medium/large general-use sector.<sup>2</sup>

For Cambridge, the Department approved an award group that included retrofit programs by Citizens and SESCO, Inc. in the residential non-heat sector; Citizens and SESCO, Inc. in the residential heat sector, DMC Services, Inc. in the small general-use sector, and NORESKO, Esplanade Condominiums, EUA Cogenex Corporation, Proven Alternatives, Inc., Kenetech Energy Management, Inc., and HEC, Inc. in the medium/large general-use sector.<sup>3</sup>

The IRM regulations provide that an electric company shall negotiate contracts with project developers, and that final contracts shall be filed with the Department for approval during Phase IV. 220 C.M.R. § 10.06(2). The IRM regulations further provide that an electric company and project developers may agree to the terms and conditions of the long-run standard contract approved by the Department, and that the electric company shall indicate how the final contract varies from the long-run standard contract. Id.<sup>4</sup> The IRM regulations require the Department to review final contracts between an electric company and

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<sup>2</sup> In addition, the award group included new construction programs offered by Commonwealth in all sectors.

<sup>3</sup> In addition, the award group included new construction programs offered by Cambridge in all sectors.

<sup>4</sup> The Companies long-run standard contracts were reviewed and approved by the Department in Phase I of this proceeding. Commonwealth Electric Company and Cambridge Electric Light Company, D.P.U. 91-234-A (1993).

project developers to determine whether they comply with the IRM regulations, and are in the public interest. Id.

On August 24, 1994, the Companies submitted contracts between Commonwealth and Citizens (residential non-heat), Cambridge and SESCO (residential heat), Cambridge and SESCO (residential non-heat), Cambridge and Citizens (residential heat), and Cambridge and Citizens (residential non-heat). With the final contracts, the Companies submitted summaries of how the individual contracts differ from the long-run standard contract. The Department finds that these contracts are consistent with the IRM regulations and are in the public interest. Accordingly, the Department approves these contracts.

V. ORDER

After due consideration, it is

ORDERED: That the contracts between Cambridge Electric Light Company and SESCO (residential heat), Cambridge Electric Light Company and SESCO (residential non-heat), Cambridge Electric Light Company and Citizens (residential heat), and Cambridge Electric Light Company and Citizens (residential non-heat) are approved; and it is

FURTHER ORDERED: That the contract between Commonwealth Electric Company and SESCO (residential non-heat) is approved.

By Order of the Department,

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Kenneth Gordon, Chairman

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Mary Clark Webster, Commissioner



Appeal as to matters of law from any final decision, order or ruling of the Commission may be taken to the Supreme Judicial Court by an aggrieved party in interest by the filing of a written petition praying that the Order of the Commission be modified or set aside in whole or in part.

Such petition for appeal shall be filed with the Secretary of the Commission within twenty days after the date of service of the decision, order or ruling of the Commission, or within such further time as the Commission may allow upon request filed prior to the expiration of twenty days after the date of service of said decision, order or ruling. Within ten days after such petition has been filed, the appealing party shall enter the appeal in the Supreme Judicial Court sitting in Suffolk County by filing a copy thereof with the Clerk of said Court. (Sec. 5, Chapter 25, G.L. Ter. Ed., as most recently amended by Chapter 485 of the Acts of 1971).